

4/15

Bob

Re Comments on MDEC proposal

MDEC did an excellent job in rewriting the proposal and the new test program seems very attractive. My concern is with the pricing of our portion of the effort. The approach selected has significantly cut down our effort in the program. As I see our effort, it is primarily the preparation of the questionnaire for administration before and after the exercise, the two week training period, the exercise period, ~~and~~ ^{the} conducting of the EEG and biofeedback test and the preparation of the evaluation portion of the final report. Since we are not preparing tapes there will be no opportunity to submit any charges for your time in the construction of the tapes or charges for use of the recording facilities. Therefore, it appears that we should enter into a royalty agreement with MDEC for a percentage on each unit they produce. Also as a subcontractor our fee will be based only on that portion of the contract that we contribute to which is basically the time our trainers and consultants put in.

K

